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Company Presentation

March, 2006

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Online Video Market Trends

- Broadband has become pervasive
  - 193 million global subscribers
    - +44% Y/Y growth
    - 63 million Asia
    - 47 million N. America

Taking advantage of Broad Band growth

- Online consumers spend as much time online as they do watching TV***
- 51% of consumers watch video online**
- Online viewers have highly desirable demographics**
  - 23% have HH income > $100,000
  - 87% have broadband access at work
  - 76% have broadband access at home
- Video ads deliver the highest brand awareness of any online ad format*

*** jupiter research 2005
**online publishers association 2005
*dynamic logic study 12/04

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YouTube What We Do

- YouTube is a consumer media company based on short-form video content
- Enables consumers to upload, tag, & share videos online
- Free to consumers; no limits on storage or bandwidth
- Automatically converts any uploaded video type to flash for easy playback
- No software download required
- User generated video (public or private)
  - Family, friends, travel, humor, performance, stunts, short movies

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What We Do (cont)

- Short video clips are the focus
  - Average video length = 2-3 minutes

- Professional & Branded video opportunities
  - Major media companies, labels, networks, studios, Indie & niche providers
  - Build awareness and quickly reach a large audience of influencers
  - Drive traffic to website or to transactions (iTunes, Amazon, etc.)
  - Generate significant advertising revenue

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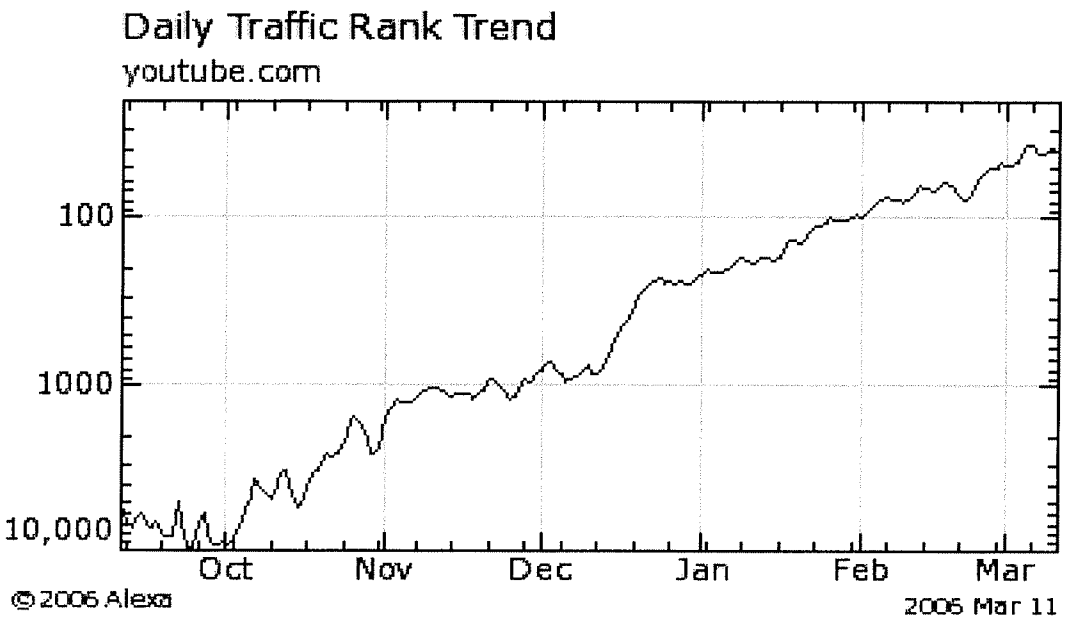
The Leading Video Site on the Internet

- Currently ranked as a top 40 Internet site by Alexa.com
- 30 million + video views a day
- Currently 90,000 new registered users a day
- 6 million + unique viewers a day
- Faster growth in reach and rank than MySpace
- In less than 1 year, greater market share than any competitor



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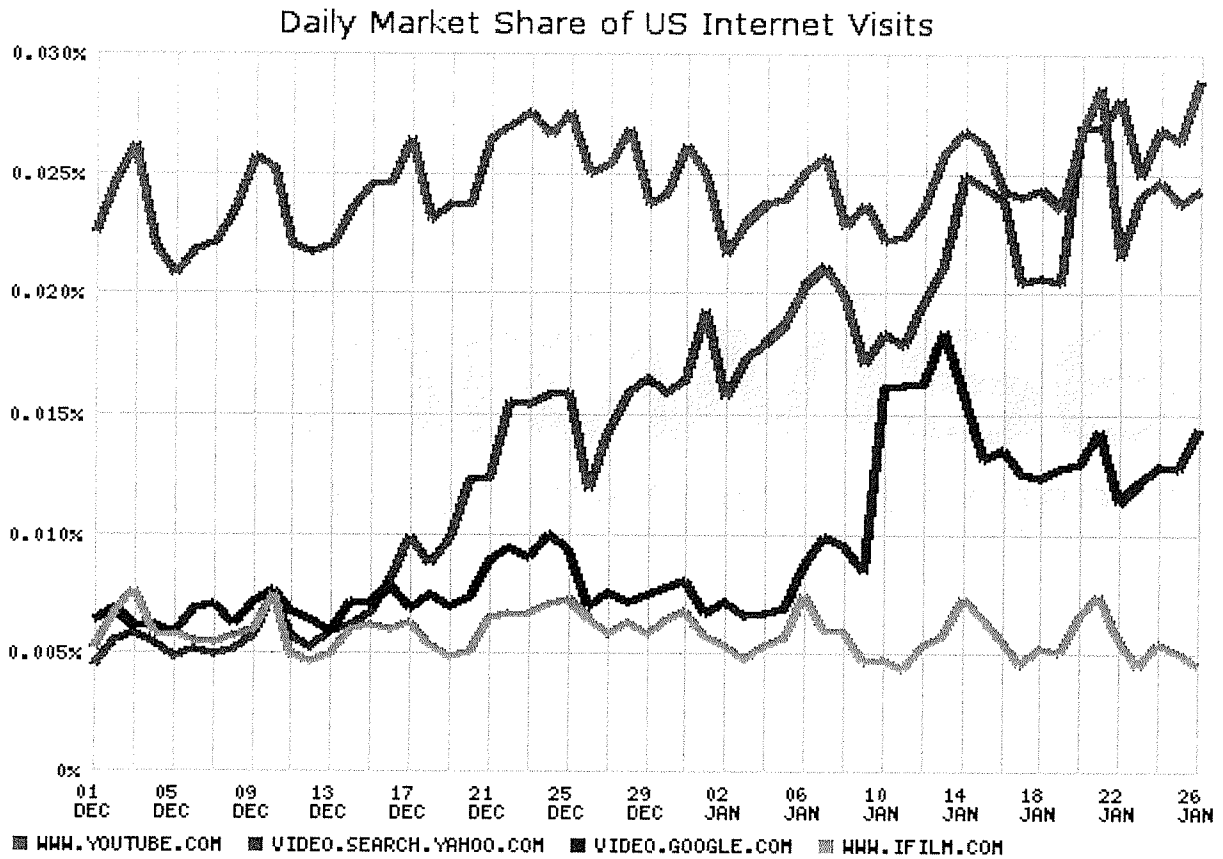
YouTube Beats Google & Yahoo in Video

- YouTube vs. Google and Yahoo video in daily market share based on visits



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Fast Growing Audience & Attractive Demographic

- 6 million unique users visit YouTube every day
  - Up from 3 million per day 2 months ago

- According to Nielsen NetRatings (January 2006) typical users are:
  - < 18 years old (23%)
  - 18-34 years old (29%)
  - 35-49 years old (26%)
  - Male (51%)
  - Female (49%)
  - Affluent (Median HHI = $75k+) = 50%
  - College Educated (61%)

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Secure & Centralized Distribution Architecture

- Not peer-to-peer
- Videos are streamed, not downloaded
- YouTube maintains centralized control of video access
  - All videos reside on YouTube servers
  - Remove one link, remove all access to that video
- Lower resolution Flash files, not high resolution videos
- YouTube responds quickly to copyright violations

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YouTube Copyright Infringement Prevention

- User education
  - Terms of Service policy re: copyright infringement
  - Warnings and notice during upload process
  - Copyright issues handbook for user reference

  - Flagging & Notification tools
  - Self-service tools for rights holders
  - Automating search, flagging and DMCA notification

- Filtering Database
  - Captures unique fingerprint on infringing videos to prevent repeat uploads

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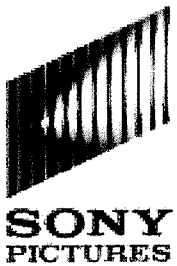
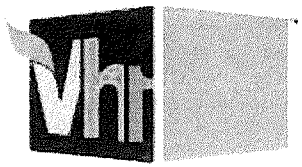
YouTube A Platform for Branded Content

- Partnering with major music labels, networks, studios & advertisers





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YouTube A Platform for Branded Content (cont)

- Partnering with independent providers and emerging networks

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Incredible Results with Branded Video

- NBC/SNL "Lazy Sunday" clip
  - Received 5 million views in about a month
- CBS News "Autistic Basketball Player" video
  - Received 1.2 million views in just a few days
- Fox "Live Action Simpsons Opening"
  - Uploaded by Fox
  - 1 million views in first week
- Nike Soccer "Ronaldhino" video
  - Uploaded by Nike
  - Received 3 million views over 3 months

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Incredible Results with Branded Video (cont)

- MTV2 "Andy Milonakis Show" clip
  - Uploaded by MTV
  - Featured by YouTube on home page
  - Received 90,000 views a day

- AtomFilms "Angry Kid" video
  - Uploaded by AtomFilms
  - Featured by YouTube on home page
  - Received 50,000 views a day
  - 4% click through rate (2,000 clicks/day) to AtomFilms.com

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Unique Programming Opportunities

- Exclusive behind-the-scenes clips
- DVD extras
- Unique "coming soon" videos
  - Grassroots style, raw and uncut feel
  - New TV shows, new movies, new music
- Video Blogs from the movie set
- Celebrity home videos

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Unique Programming Opportunities (cont)

- Interviews with stars, directors, etc.

- Tie-ins to reality programming
  - YouTube audience helps pick the cast (or pick the winner)
  - YouTube users participate in reality shows - upload clips

- "On Tour" with the Band
  - Video updates from different destinations
  - Clips from the shows
  - Clips from the tour bus

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Wide Variety of Advertising Opportunities

- Pre-rolls on Branded Video
- Channel sponsorships
- Grassroots marketing with ads as entertainment
  - Nike soccer video/commercial
- Promotions that engage the users and invite feedback
  - Matador Records "Pretty Girls Make Graves" album release
- Opportunity to deliver contextual ads via search, channels, and usage patterns

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YouTube Business Model for Content Providers

- Ad revenue share on pre-rolls
  - Partner sells ads or YouTube does
- Revenue share on transactions
  - YouTube drives users to transactions (iTunes, Amazon, etc.)
- YouTube covers hosting & bandwidth costs
- In-depth reporting tools to track performance of content and revenue

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